



LOCAL HELP FOR PEOPLE WITH MEDICARE

SHIP is a free and impartial Medicare information and counseling program provided by the Indiana Department of Insurance.

August 3, 2020

Contact:

John Williams, SHIP Medicare Specialist  
(765) 617-8668, johnwilliams.ship@gmail.com

## **SHIP/Medicare Column, September, 2019**

Submitted by: Cheryl St. Clair, Executive Director for SHIP

In the Federal health insurance program pecking order, Medicare outranks ObamaCare in the payment of members' healthcare costs. That means ObamaCare participants need to enroll in Medicare as soon as they are eligible and drop out of ObamaCare at the same time.

Medicare is available to most people at age 65; or if younger, after they receive Social Security or Railroad Retirement Board disability payments for two years. ObamaCare refers to the Affordable Care Act's Marketplace Plans that are available to many people who are not eligible for Medicare. Medicare and Marketplace Plans are not free; they have premiums, deductibles and copays/coinsurances for most members. Marketplace members are allowed to keep their plan when Medicare becomes available to them; but members would have to pay their full Marketplace Plan premiums and could not use their plan to pay hospital, medical or prescription drug costs covered by Medicare. That is because Medicare trumps Marketplace Plans in the hierarchy of federal health insurance programs.

Although Medicare and Marketplace Plans both provide hospital, medical and prescription drug coverage, members who are eligible for both programs cannot use both at the same time. In other words, Medicare and Marketplace Plans do not coordinate with each other and do not pay each other's deductibles or copays/coinsurances. People who are enrolled in a Marketplace Plan must stop using it when they are eligible for Medicare and Medicare becomes their primary hospital, medical and prescription drug coverage.

If you are enrolled in a Marketplace Plan and your Medicare eligibility starts soon, you need to know the following information and take the actions suggested in the checklist at the end of this article.

### **You Need to Know That:**

- Medicare will become your primary hospital, medical and prescription drug insurance and your Marketplace Plan will stop paying your hospital, medical and prescription drug costs when your Medicare starts.

- You will need to enroll in Medicare Part A (Hospital Insurance), Part B (Medical Insurance) and Part D (Prescription Drug Insurance) or a Part C (Advantage Plan) as soon as you are eligible to replace your Marketplace Plan benefits.
- Your Medicare benefits are only for you. Medicare does not provide family coverage.
- If you keep your Marketplace Plan it will not pay your Medicare deductibles and copays/coinsurances; and you will lose all Marketplace premium and cost sharing assistance (subsidies and tax credits) when your Medicare starts.
- Medicare members who have limited income and assets may be eligible for government assistance programs to help pay Medicare costs.
- You can phone SHIP at 800-452-4800 to talk to a Medicare counselor if you have questions about Medicare benefits and coverage options or related assistance programs. SHIP also has counselors in many communities that you can talk to face-to-face.

### What You Need to Do Right Away (Checklist):

- \_\_\_\_ 1. 20-30 days before your Medicare eligibility starts, phone the Marketplace (Healthcare.gov) at 800-318-2596 and your Marketplace Plan insurance carrier at the phone number on the back of your membership card to report the date your Medicare will begin. Tell them to terminate your Marketplace Plan coverage when your Medicare starts. If your family is covered on your Marketplace Plan, ask about options to continue their coverage even though your own Marketplace coverage will end when your Medicare starts.
- \_\_\_\_ 2. Do not use your Marketplace Plan coverage after your Medicare starts.
- \_\_\_\_ 3. In addition to Medicare Parts A and B, enroll in a Part D Prescription Drug Plan or a Part C Advantage Plan that includes prescription drug coverage during the three months before your Medicare eligibility starts to get coverage beginning your first month of Medicare eligibility.
- \_\_\_\_ 4. If you are age 65 or older, consider purchasing a Medigap Supplement Policy to help pay Medicare Part A and B deductibles and copays/coinsurances. The best time to buy a Medigap Supplement Policy is when your Medicare Part B starts.
- \_\_\_\_ 5. Contact SHIP at 800-452-4800 to talk to a Medicare counselor if you have questions about Medicare benefits and coverage options or related assistance programs and to get help applying for them. SHIP also has counselors in many communities that you can talk to face-to-face.

If you follow these suggestions, SHIP believes your transition from the Marketplace to Medicare should be smooth sailing and you will not get lost in a sea of government health insurance programs while navigating through the process.